

**WATER & SEWER COMMISSION  
MINUTES OF MEETING HELD MARCH 14, 2016  
PUBLIC WORKS SERVICES CONFERENCE ROOM  
155 WEST 14<sup>TH</sup> STREET  
YUMA, AZ 85364**

**Chairman Vinod Mohindra** called the meeting to order at 5:00 p.m.

**MEMBERS PRESENT:** Vinod Mohindra, Chairman  
Brian Ewing, Vice Chairman  
Luis Acle  
Kathleen Carroll  
Alan Pruitt  
Michael Wicks

**MEMBERS ABSENT:** Lorna Brooks

**STAFF PRESENT:** Jay Simonton, Utilities Director  
Beatrice Dorries, Utilities Division Manager  
Donna Lennon, Administrative Assistant

**GUESTS:** Dan Gray, Utility Rate Structure Committee  
Bob Carroll

**APPROVAL OF MINUTES**

**Brian Ewing** made a motion to approve the January 4, 2016 minutes, seconded by **Luis Acle**. Motion carried unanimously.

**Capacity Fee Update and Discussion in Conjunction with City Administrator's Appointed Water Committee**

**Vinod Mohindra** welcomed Mr. Dan Gray to the meeting as a representative of the Utility Rate Structure Committee.

**Jay Simonton** stated that the Utility Rate Committee set up by Greg Wilkinson was to look at the utility system and see if changes could be made to make operations more efficient and encourage new businesses. The committee decided to look at capacity fees. **Dan Jackson** from Economist.com was hired to do the 2006 study. After running the calculations (see attached handout), **Mr. Jackson** recommended that the capacity fees on the water side be reduced by almost 9%, and the wastewater capacity fees be reduced by 17.5%. **Jay** is also recommending that Utilities do away with the Utility Management Evaluation Process and go strictly with meter size. A payment plan for customers will also be recommended.

After this year's process, House Bill 2391 requires Utilities to follow the Impact Fee Statutes adopted by the State a few years ago, so the capacity fee process will change to be on cycle every 5 years or more often if required.

**Dan Gray** stated that he personally was concerned about losing customers to other cities/states due to the City's high prices. This was discussed, and it was stated that the City's prices are not higher than many other cities/states. **Luis Acle** stated that the City is losing customers not to other Arizona cities, but to places like Utah, New Mexico, and Texas. He stated that water is not the only reason for these losses. **Chairman Vinod** asked **Jay** to whom the City is losing customers? He asked **Jay** to provide the numbers from other states that Yuma is losing customers to and what role water rates play in this loss. **Jay** stated that it is not the Utilities responsibility to try to attract new businesses, but to make the market competitive. There are many reasons that attract businesses to places other than Yuma, not just because of the water capacity fees.

**Jay** would like the water capacity process, with the Commission's recommendations, to be presented to Council by this summer.

**Dan Jackson** was not available to discuss the capacity fee presentation, so it will be tabled for a future meeting.

#### **Election of Commission Officers**

**Kathleen Carroll** made a motion to appoint **Vinod Mohindra** as **Chairman**. It was seconded by **Alan Pruitt**. Motion carried unanimously.

**Kathleen Carroll** made a motion to appoint **Luis Acle** as **Vice Chairman**. It was seconded by **Michael Wicks**. Motion carried unanimously.

#### **Director's Report**

C.I.P. Projects Update:

**16<sup>th</sup> Street Tank's Rehab** project interior of Tank #1 should be completed by today. The center section of the roof rafters must be replaced, and this will be done in next year's CIP process, as the roof has to be removed to replace the rafters.

**Bar Screen at Figueroa** should be completed by mid-summer. Staff are waiting for the bar screens to come in.

**Downtown Waterline Project** – an alternative installation method was used by installing a 6" water main down the block without open-cutting the street (directional drilling).

The Diamond Brooks civil trial is set for the last week of August.

**FUTURE AGENDA ITEMS**

Water Rates Presentation by Dan Jackson  
Preliminary Budget & Proposed C.I.P. Projects

**Kathleen Carroll** presented her resignation to the Commission. She will be moving to Phoenix to be near her family, and thanked everyone for their consideration.

**ADJOURNMENT**

The meeting was adjourned at 5:46 p.m.